



Legislation Details (With Text)

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Title: Planning and Building Department, Airports Division, recommending the Board approve and authorize the Chair to sign County of El Dorado Airport Ground Lease Agreements for Portable Hangars located at the Placerville and Georgetown Airports, which require a rental fee to be paid at commencement of the Lease Agreement and annually thereafter, based on fees established by Board Resolution in effect at the time each lease payment is due, and provides upon Board execution for an initial lease term of ten years with two additional ten-year lease options, as follows:

1) Lease Agreement 2005, between the County and Lessee, Mark A. Moss and Valerie A. Baker, for a Single "T" Hangar located on Space SP-29, representing use of 812 square feet of ground at the Placerville Airport, with a commencement rental fee due of \$792 (Attachment B); and

2) Lease Agreement 2006, between the County and Lessee, Matthew and Michaela Johnson, for a Single "T" Hangar located on Space SP-05, representing use of 812 square feet of ground at the Georgetown Airport, with a commencement rental fee due of \$792 (Attachment D). (4/5 vote required)

FUNDING: Placerville and Georgetown Airport Enterprise Funds - Fee Revenue.

Sponsors:

Indexes:

Code sections:

Attachments: 1. A - Approved Contract Routing Sheet-Moss&Baker Lease, 2. B - Airport Ground Lease Agreement 2005-Moss&Baker, 3. C - Approved Contract Routing Sheet-Johnson Lease, 4. D - Airport Ground Lease Agreement 2006-Johnson, 5. E - Fee Schedule-Airports / Res183-2019, 6. Executed Lease Agreement #2005, 7. Executed Lease Agreement #2006

Date	Ver.	Action By	Action	Result
7/14/2020	1	Board of Supervisors	Approved	Pass

Planning and Building Department, Airports Division, recommending the Board approve and authorize the Chair to sign County of El Dorado Airport Ground Lease Agreements for Portable Hangars located at the Placerville and Georgetown Airports, which require a rental fee to be paid at commencement of the Lease Agreement and annually thereafter, based on fees established by Board Resolution in effect at the time each lease payment is due, and provides upon Board execution for an initial lease term of ten years with two additional ten-year lease options, as follows:

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FUNDING: Placerville and Georgetown Airport Enterprise Funds - Fee Revenue.

DISCUSSION / BACKGROUND

Airport users with portable hangars must enter into a lease agreement with the County for the use of

Airport property, in accordance with County Ordinance Code § 3.08.021. Each new ground lease agreement includes language required by the County and the Federal Aviation Administration.

These proposed lease agreements represent new ground leases upon which a privately-owned portable aircraft storage hangar will be utilized, and recognizes the change in ownership for the hangars occupying Placerville Airport Space SP-29 and Georgetown Airport Space SP-05, Mark A. Moss and Valerie A. Baker (Moss&Baker Lease Agreement) and Matthew and Michaela Johnson (Johnson Lease Agreement), respectively.

The initial term of each lease agreement is ten years, with each Lessee given the right to extend the lease term for two additional ten-year lease options, under such terms and conditions as may be agreed upon at such time.

In accordance with County Ordinance Code § 18.04.100, Fees and Charges, fees for airport ground leases are set by a Board adopted Resolution; therefore, lease fees are not negotiated. Current Airport fees are in accordance with Resolution 183-2019 adopted by the Board on October 22, 2019, which established per Exhibit A the rental fees now referenced in both lease agreements as follows:

- 1) Moss&Baker Lease Agreement with a set annual fee of \$792 for a 812 square foot Single "T" Hangar; and
- 2) Johnson Lease Agreement with a set annual fee of \$792 for a 812 square foot Single "T" Hangar.

Both the Moss&Baker and Johnson Lease Agreements provide for an annual adjustment of the rental fee amount should the Board adopt different rates in the future. A 4/5ths vote of the Board is required in accordance with County Ordinance Code § 3.08.021(B) as authorized by Government Code Section 25536.

ALTERNATIVES

The Board could choose to:

- 1) Approve or disapprove on an individual lease agreement basis;
- 2) Approve the proposed Moss&Baker and Johnson Lease Agreements with a different term of the Board's choosing, for both the initial term and term options; or
- 3) Disapprove the proposed Moss&Baker and Johnson Lease Agreements, which will require removal of both portable hangars from County airport property, resulting in the loss of lease revenue until such time as new hangar placement requests are received and airport ground lease agreements are secured.

PRIOR BOARD ACTION

Adoption of Resolution 183-2019 (Attachment E) by the Board on October 22, 2019 (Item 31, Legistar 19-0663), titled "Resolution Establishing Chief Administrative Office, Airports Division Fee Schedule," thereby superseding Resolution 080-2019.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel and Risk Management (Attachments A and C)

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

Lease rates are based on hangar type and square footage and set by a Board adopted Resolution. Should the Board adjust rates in the future, the annual lease payments reflected below will also adjust commensurate with Board direction.

Upon commencement, the Placerville Airport Enterprise Fund will receive annual revenue of \$792 from the Moss&Baker Lease Agreement for use of Space SP-29.

Upon commencement, the Georgetown Airport Enterprise Fund will receive annual revenue of \$792 from the Johnson Lease Agreement for use of Space SP-05.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board will obtain the Chair's signature on the two (2) original copies of the Moss&Baker Lease Agreement and the Johnson Lease Agreement; and
- 2) Clerk of the Board will return one (1) fully executed original copy of the Moss&Baker Lease Agreement and Johnson Lease Agreement to the County Procurement and Contracts Division, Building C of the County Government Center, for transmittal to the respective Lessee.

STRATEGIC PLAN COMPONENT

Economic Development and Good Governance.

CONTACT

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